



# KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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March 4, 2022

Ms. Katie Carney  
Office of Fiscal Statement Review  
Legislative Research Commission  
Capital Annex, Room 104  
Frankfort, KY 40601

RE: House Bill 606 (2022 RS BR 1000)  
AA Statement Required by KRS 6.350  
AA Statement 1 and 2 of 5

Ms. Carney:

House Bill 606 (2022 RS BR 1000) proposes to create a new Kentucky Revised Statute Chapter 239A that would, in pertinent part for Kentucky Public Pensions Authority, establish a wagering administration fund within the State Treasury. The bill states that amounts deposited in the wagering administration fund in excess of oversight costs would be allocated to the Kentucky permanent pension fund established in KRS 42.205. The bill does not specify an end date for the funds to cease being depositing into the Kentucky permanent pension fund, so for the purposes of this Actuarial Analysis it is assumed the revenue will continue to be deposited in perpetuity.

Kentucky Public Pensions Authority (KPPA) staff members have examined House Bill 606 (2022 RS BR 1000). We have determined that the bill will not increase or decrease benefits or the participation in benefits in any of the retirement systems administered by KPPA. House Bill 606 (2022 RS BR 1000) could potentially reduce the unfunded actuarial liability of the pension plans administered by KPPA, as passage of the bill would create a new revenue stream for the Kentucky permanent pension fund that could be allocated to the pension plans administered by KPPA.

In accordance with KRS 6.350(2)(c), Kentucky Public Pensions Authority certifies the following:

1. The estimated number of individuals affected as of June 30, 2021 are 123,809 active members, 155,506 inactive members, and 121,728 retired members in the plans administered by KPPA;
2. There is no estimated change in benefit payments;

3. The additional revenue generated by House Bill 606 (2022 RS BR 1000) could reduce employer costs only if the money were allocated to the systems operated by KPPA;
4. There is no estimated changes in administrative expenses.

We have not requested any further actuarial analysis of House Bill 606 (2022 RS BR 1000) by the Authority's independent actuary.

Please let me know if you have any questions regarding our analysis of House Bill 606 (2022 RS BR 1000).

Sincerely,

A handwritten signature in black ink, appearing to read "David Eager". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Eager".

Dave L. Eager  
Executive Director  
Kentucky Public Pensions Authority